

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade steady to slightly range-bound, as expectation of an increase in crop arrivals in coming week may weigh on market sentiments. On the other hand, if markets re-open soon and demand from local millers continues, it would support the market at the lower level.

Sources revealed that around 80-85% crop has been harvested but farmers are still not willing to sell their produce on the expectation of procurement by the Government and also uncertainty regarding the chances of market opening and closing uncertainties.

Karnataka, Davangere market is closed at present and chances are that it might re-open on 27th May 2021. Telangana, Nizamabad market is also closed at present and chances are that it might re-open on, 25th May 2021. Till 6th May 2021, government in Andhra Pradesh procured 55,654 MT Maize, valued Rs. 102.95 Crores.

MAIZE TRADE SCENARIO

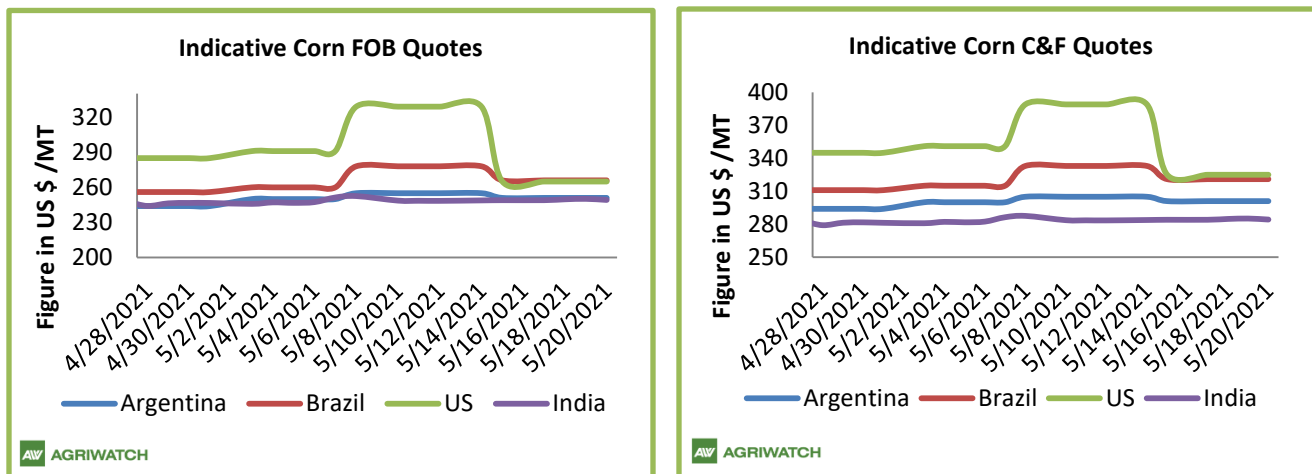
Sources revealed that (loose) Maize in Bihar, markets is being traded at Rs. 1,400 per quintal, (Bilty) Maize in Bihar is being traded at Rs. 1,450 per quintal. Also Maize in Badwani, M.P is being traded between Rs. 1300 – Rs. 1600 per quintal, containing moisture between 20%-14%.

Sources revealed that Maize in villages nearby Nizamabad, is being traded at Rs. 1,520-Rs. 1550 per quintal.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 47.93 USD/MT to 261.60 USD/MT for July'21 contract compared to previous week, this can be attributed to cautious market sentiment. Agriwatch expects that Corn on CBOT would consolidate in the range of 250.89 USD/MT to 295.26 USD/MT for coming week.

U.S. Maize exports have reached 47.28 MMT in the 2020-21 marketing year, at 2.23 MMT (for the period May7 - May13, 2021). U.S. Maize exports were up by 45 percent from the previous week and 23 percent from the prior 4-week average; mainly for the destinations like China (1,009,700MT), Mexico (467,100 MTMT) , Japan (310,900MT), Colombia (113,000 MT), and Israel (111,200 MT).

EXPORT PARITY TREND


Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.73.22)				
As on 20.05.2021	Argentina	Brazil	US	India
FOB	251.00	266.00	265.00	249.25
C&F	301.00	321.00	325.00	284.25

As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed.

EXPORTS

As per trade sources, India exported around 2, 82,919 MT of Maize in March 2021 at an average FoB of US\$ 223.76 per MT, out of which, 1, 56,102 MT was exported to Vietnam at an average FoB of US\$ 243.33 per MT and around 61,808 MT was exported to Malaysia at an average FoB of US\$ 248.69 per MT. Around 31,592 MT was exported to Bangladesh at an average FoB of US\$ 210.99 per MT. And, 22,181 MT was exported to Nepal at an average FoB of US\$ 203.26 per MT.

As per trade sources, around 3,39,500 MT of maize has been loaded till May last week , mainly through Vizag port followed by Krishnapatnam port and Tuticorin port.

VESSEL POSITION

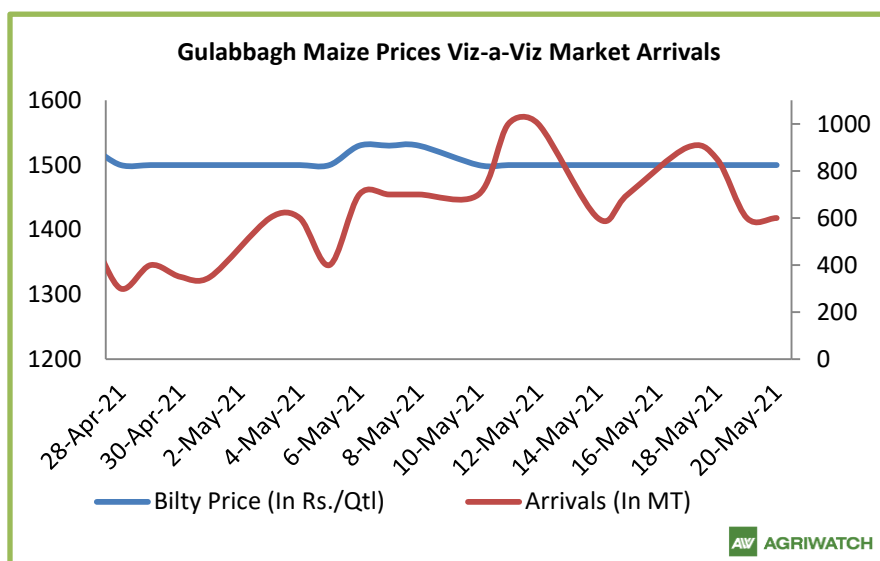
Sources revealed that 25,000MT of Maize Vessel, HTK LUCKY completed loading at VIZAG port on May 18, 2021. And 31,000MT of Maize Vessel, GOLDEN BRIDGE is expected to complete loading at Tuticorin port by May 26, 2021. Also, 31,000MT of Maize Vessel, GOLDEN BRIGHT is waiting for loading at KAKINADA port since May 11, 2021 and 10,000MT of Maize Vessel, HAI DOUNG 36 and 20,000MT of Maize Vessel, INFINITY K has completed loading at VIZAG port by May 13, 2021. While, 30,000 MT of Maize Vessel, INDIGO SW, has completed loading at Krishnapatnam port.

CURRENT MARKET DYNAMICS:

During the week under review, almost steady sentiments were reported in most of the major cash markets of Maize. The various key spot markets dynamics areas under:

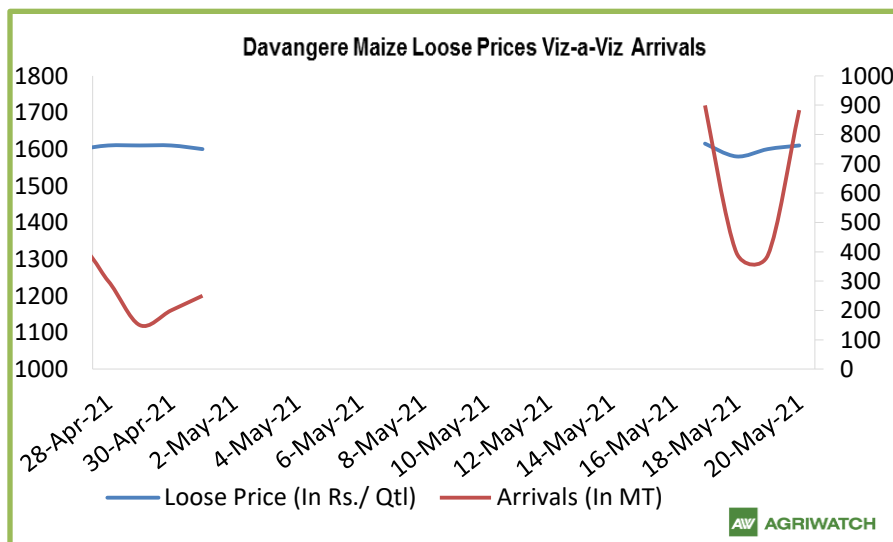
BIHAR:

In Gulabgh region of Bihar, Maize is being traded at Rs.1,500 per quintal (Bilty Price). Maize in Gulabgh would trade steady to slightly range bound in the range of Rs.1,500-1,600 per quintal for the week. As expectation of the increase in new crop arrivals in coming week could weigh on market sentiments. However, if fresh export and stockiest demand comes; could lead the market.



KARNATAKA:

In Davangere region of Karnataka, Market was partially open in last week due to lockdown. Market is expected to re-open in proper format on 27th May. Maize in Davangere region would trade between the range of Rs.1450-1,650 per quintal. However, if fresh export and stockiest demand comes; could lead the market.



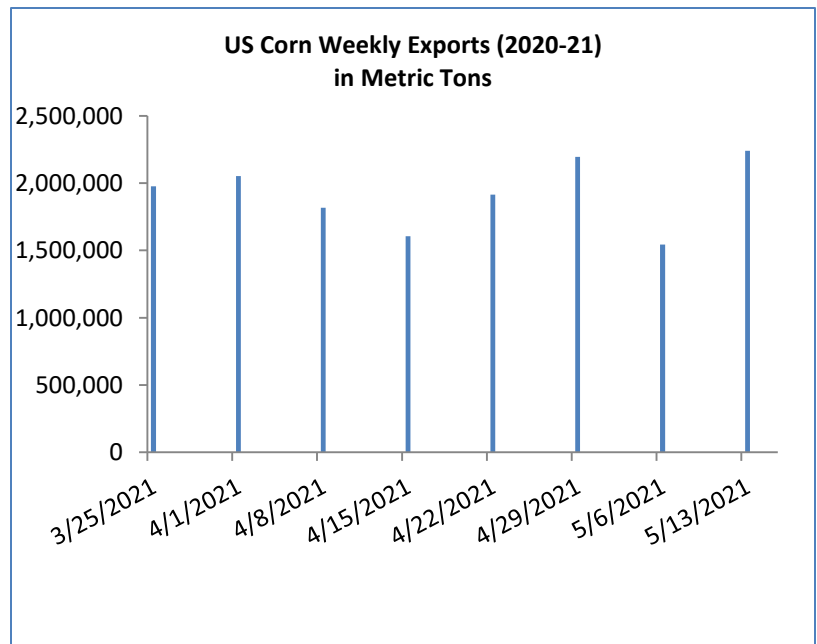
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to slightly range bound despite continuous demand from domestic millers as expectation of crop arrivals containing higher moisture percentage in near term would weigh on market sentiments.



INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 47.28MMT in the 2020-21 marketing year, at 1.54 MMT (for the period May 7 – May 13, 2021). U.S. Maize exports were up by 45 percent from the previous week and 23 percent from the prior 4-week average; mainly for the destinations like China (1,009,700MT), Mexico (467,100) MT, Japan (310,900MT), Colombia (113,000 MT), and Israel (111,200 MT). Agriwatch expects that Corn on CBOT would consolidate in the range of 255.89 USD/MT to 295.26 USD/MT for coming few days.



PREVIOUS UPDATES

USDA increased its World Maize Ending Stock Estimate by 8.87 MMT to 292.301 MMT for May'21/ 2021-22, It also projected an increase in Production Estimates, which would weigh the global Maize market. USDA also revised the Ending stock estimates for Argentina, at 2.62 MMT for May'21/ 2021-22 , Brazil at 8.93 MMT for May'21/ 2021-22 and for U.S at 38.27 MMT for May'21/ 2021-22.

In the U.S, corn plantings as of 17th May 2021 stand at 80%, up by 2 percentage points from the same period last year and up by 12 percentage point compared to last 5-year average period. Crop of corn has been emerged at 41%, up by 1 percentage from the same period last year and up by 6 percentage point from 5-year average period.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 47.93 USD/MT to 261.60 USD/MT for July'21 contract compared to previous week. Agriwatch expects that Corn on CBOT would consolidate in the range of 255.89 USD/MT to 295.26 USD/MT for coming week.



ANNEXURE

MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	21-May-21	14-May-21	20-Apr-21	21-May-20	21-May-19
Naugachia	Bilty	1450	1500	1500	1250	1850
Delhi	Hybrid Maize(U.P.)	1650	Closed	Closed	1410	2050
Davangere	Loose	1625	Closed	1610	1350	NA
Shimoga	Bilty	NA	1630	NA	1400	NA
Ranebennur	Bilty	NA	NA	NA	1400	2350
Bagalkot	Hybrid/Local	1555	NA	1560	1260	2202
Gadag	Local	NA	NA	1375	NA	2172
Nizamabad	Bilty	1600	Closed	NA	Closed	2150
Khanna	Bilty	Closed	Closed	1600	1300	1950
Sangli	Feed	1799	1766	1722	NA	2379
Ahmedabad	Feed	1725	Closed	Closed	1450	2250

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	22-May-21	14-May-21	Change
Corn CBOT Prices	July-21	261.60	221.64	+47.93
	Sep-21	227.94	213.67	+12.20
	Dec-21	217.31	215.74	+0.69
	Mar-22	219.77	216.62	+219.77

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